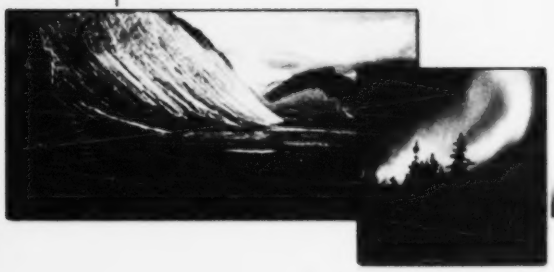
GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

2001-02 Annual Report

Department of Labrador and Aboriginal Affairs



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Minister's Message

Premier Roger Grimes created the Department of Labrador and Aboriginal Affairs (DLAA) on February 13, 2001 as a means of strengthening the government's commitment to deal with matters impacting Labrador and the Aboriginal people of the province.

The Department's overarching goals are the coordination and implementation of government policy appropriate for Labrador and the development and enhancement of relationships with the province's Aboriginal groups. The Department plays a coordinating role by advising other provincial government departments with respect to their activities and policies.

Since being established, the Department has made considerable strides towards carrying out its mandate. The Department has played a key role in advancing major issues important to Labrador, particularly with respect to Aboriginal land claims. We continue to take the lead in social and economic development matters throughout Labrador and in the various resource sectors.

In Labrador, the Province faces the challenge of delivering programs and services to a small, dispersed and diverse population over a large geographical area. Recognizing the differences between Labrador and the island of Newfoundland, the Province maintains such special arrangements as the Labrador Allowance, the Labrador Travel Subsidy, the Air Foodlift Subsidy and subsidized marine ferry services.

The Province has made great strides in the past few years in addressing the service and infrastructure needs in the region, such as the development of the Trans-Labrador Highway, school construction on the Coast and a new hospital in Happy Valley-Goose Bay. But we still have a long way to go.

The Department is a reflection of Government's commitment to the people of Labrador and the Aboriginal people of Newfoundland. I am pleased with the amount of progress we have made, and I look forward to the challenges ahead as we continue to meet our objectives.

I am pleased to present the Annual Report for the Department of Labrador and Aboriginal Affairs for the fiscal year April 2001 to March 2002.

Honourable Wally Andersen, MHA
Torngat Mountains
Minister

103-03899/

Departmental Overview

Vision:

To increase the effectiveness of provincial government management and implementation in matters impacting on Labrador and to facilitate the relationship between the provincial government and Aboriginal groups in Newfoundland and Labrador.

Mission Statement:

To promote and enhance the economic and social development of Labrador for the benefit of all residents, through the administration, coordination and provision of leadership for government programming, the advancement and assessment of development opportunities, funding sources and social issues, and the development of a good working relationship between the Aboriginal groups of Newfoundland and Labrador and the provincial government.

Lines of Business:

The lines of business of the DLAA are best designated, as the name suggests, into areas relating to Labrador Affairs and to Aboriginal Affairs. DLAA brings a degree of regional representation to government that challenges departments to find new ways of working together to ensure policies and programs are appropriate for Labrador.

Labrador Affairs: This portion of the Department's mandate focuses on economic and social development initiatives that impact the whole of Labrador. The principal tasks in the field of Labrador Affairs include the advancement of social and economic development in Labrador, managing federal-provincial agreements related to Labrador, and monitoring and evaluating government services and activities in Labrador.

Aboriginal Affairs: This portion of the Department's mandate focuses on policy and planning related to Aboriginal land claims and self-government policies and negotiations. The principal tasks in the field of Aboriginal Affairs include developing policy for Aboriginal issues, negotiating, implementing and managing land claims and self-government agreements, conducting consultations and providing public information and education in matters related to the land claims process. The Aboriginal Affairs unit is involved with matters related to the Miawpukek First Nation (Mi'kmaq of Conne River), the Innu and Inuit of Labrador, the Federation of Newfoundland Indians and the Labrador Métis Nation.

Structure and Location:

DLAA has two major units:

Newfoundland Office:

Office of the Minister
Office of the Assistant Deputy Minister (Aboriginal Affairs)
Policy and Planning Division
Land Claims Division
6th Floor, East Block, P.O. Box 8700
Confederation Bldg. St. John's, NL A1B 4J6

Labrador Office:

Office of the Minister
Office of the Parliamentary Secretary
Office of the Deputy Minister
Office of the Assistant Deputy Minister (Labrador Affairs)
Resource Planning & Development Division
Program Coordination & Implementation Division
21 Broomfield St., P.O. Box 3014, Stn. B
Happy-Valley-Goose Bay, NL A0P 1E0

Shared Commitments

DLAA is expected to play a lead role with other provincial government departments as it relates to major issues involving Labrador and to matters involving Aboriginal peoples in the province.

In particular, the Department collaborates with the Department of Health and Community Services, the Department of Education, the RCMP and the Department of Human Resources and Employment in matters relating to programs and services in Labrador.

The Department works extensively with the Department of Justice in policy and planning and developing agreements with the federal government and Aboriginal groups.

The Department maintains an important relationship with Indian and Northern Affairs Canada (INAC) and Health Canada to ensure that the needs of the province's Aboriginal groups are addressed. While the Province provides programs of general application to all its residents on the same basis, the Government of Canada has a fiduciary responsibility for Aboriginal people under section 91(24) of the *Constitution Act, 1867*.

The Department consults with the Department of Works, Services and Transportation on issues related to the Trans-Labrador Highway and transportation services and infrastructure in the region.

The Department plays an important role in the Voisey's Bay Project, working with the departments of Mines and Energy, Environment and others to reach agreements with the Labrador Inuit Association and Innu Nation on a Voisey's Bay Chapter and Interim Measures Agreement prior to the finalization of their respective land claims.

The Department assists negotiators on Aboriginal issues related to the potential Lower Churchill Hydro development.

The Department reviews all development activities within Labrador through the Interdepartmental Land Use Committee (ILUC) and reviews all environmental registrations in Labrador to ensure that Aboriginal claimant groups are adequately consulted on projects that are within areas that have had land claims accepted for negotiation.

The Department also plays an important role in all major issues in the Labrador region, including those that fall under the primary jurisdiction of other provincial departments.

The Department chairs the Labrador Regional Council, a committee of provincial government departments and agencies, that coordinates provincial government activities in Labrador.

Highlights and Accomplishments:

Creation of the Department of Labrador and Aboriginal Affairs:

The Province created DLAA in February 2001, to give Labrador and its Aboriginal peoples a stronger voice in Government. The Department has established its headquarters at 21 Broomfield Street in Happy Valley-Goose Bay and provides leadership on issues of concern to Labrador and all its people. The new Department was established as a means of strengthening Government's commitment to the people of Labrador in dealing with matters impacting Labrador and the Aboriginal people of the province. The office is staffed with a Minister, Executive Assistant, Special Assistant (Communications), Parliamentary Secretary, Deputy Minister, Assistant Deputy Minister, Director, Analysts and Administrative Staff.

Provincial Name Change:

In December 2001, Newfoundland and Labrador was formally adopted as the official name of the province under the *Newfoundland and Labrador Act*.

Labrador Inuit Land Claim:

One of the highlights for the Department in 2001-02 was the June 25, 2001, signing of an Agreement-in-Principle (AIP) on land claims and self-government with the Labrador Inuit Association and Canada, laying the foundation for negotiations toward a Final Agreement. An Interim Measures Agreement protecting lands selected by the Inuit was signed on November 16, 2001.

Inuit Communities Agreement:

The current *Contribution Agreement between the Government of Canada and the Government of Newfoundland and Labrador for the Benefit of the Inuit Communities of Labrador*, originally signed in 1986 has been amended to cover the fiscal period up to March 31, 2004. The Province's contribution is based on the proportion of non-Aboriginal residents in the five communities.

The total budget for the Agreement for the 2001-02 fiscal year was $11,702,963 with a provincial contribution of $3,378,495 and a federal contribution of $8,324,468. The federal government will contribute an additional $8.7 million in infrastructure funds from April 1, 2002 to March 31, 2004, which will facilitate continued general improvement in the Inuit communities. Funding provided through the Agreement has significantly contributed to the construction of water and sewer infrastructure, educational programs and community development in the Inuit communities. The Department and the federal government co-chair the management committee for the Agreement.

Northern Coastal Labrador Strategic Initiative:

The Department has played a lead role in the three-year funding commitment of $23 million for the Northern Coastal Labrador Strategic Initiative announced in March 2000. This

initiative has improved housing conditions, water and sewer, community roads and wharves in Northern Labrador's five Inuit communities. To date, the housing component has seen 43 new homes constructed and renovations to another 90.

Labrador Innu Land Claim:

The Department has worked with the Innu Nation and Canada on negotiation of an Accord on Major Issues, a precursor to an AIP.

Innu Healing Strategy:

The Province continues to work cooperatively with the federal government and the Innu band councils to assist with the development of long-term healing strategies. The social issues in Davis Inlet and Sheshatshiu are complex and have developed over a long time. Therefore, strategies should focus on long-term solutions to have any real impact.

The Province purchased Lobstick Lodge and transferred ownership to the Sheshatshiu Band Council to be used as a family treatment centre funded by Health Canada. In Davis Inlet a family treatment program, funded through Health Canada, is operating out of Metchim River. Health Canada has also provided funds to implement a country treatment program for residents of the community.

Innu Registration and Reserve Creation:

The Department continues to work with the federal government and Innu Nation to fulfill the federal commitment to register the Innu under the *Indian Act* and to establish reserves at Sheshatshiu and Natuashish. The Department is facilitating the necessary land transfers and negotiating arrangements for the federal government to assume funding responsibility for programs and services. Discussions are ongoing about the eventual Innu administration of programs and services on the reserves. The registration process and reserve creation, with the relocation of Davis Inlet, will hopefully lead to improved social conditions in these communities.

Relocation of Davis Inlet:

The Department is working with the federal government and the Mushuau Innu to facilitate the relocation from Davis Inlet to Natuashish (Sango Bay). The federal government is contributing $153 million towards the relocation project. The Province is involved in discussions to ensure a smooth transition in service delivery from one community to the other. The move to the new community is expected to begin in December 2002.

Labrador Métis Nation (LMN):

The Province supports the LMN in accessing those federal programs and services for which they are eligible.

The Province has also called on the federal government to make a decision on the LMN land claim.

Federation of Newfoundland Indians (FNI):

The Department has urged the Government of Canada to begin exploratory discussions to decide if there is a basis for negotiating FNI access to certain federal Aboriginal programs and services.

Conne River Mi'kmaq:

The Department has indicated it is prepared to participate in self-government discussions between the Miawpukek Band and the federal government in matters impacting on provincial jurisdiction.

Voisey's Bay Project:

The Department continues to play an active role in negotiations towards an agreement on the Voisey's Bay Project that will define Aboriginal rights in the project area, provide for the environmental management of the Mine/Mill Project, and ensure any arrangements with Inco/Voisey's Bay Nickel Company maximize economic opportunities for Labradorians.

Lower Churchill Hydro Development:

The Department has actively consulted with provincial negotiators pursuing the potential Lower Churchill Hydro Development on issues related to Aboriginal claimant groups and Labradorians' interests in the project.

5 Wing Goose Bay:

DLAA, in cooperation with other departments, facilitated efforts to ensure the continued development of military training at Canadian Forces Base Goose Bay through the establishment of an enhanced Practice Target Area in Labrador. DLAA is also involved in the Goose Bay Marketing Committee and the Institute for Environmental Monitoring and Research.

Iron Ore Mining:

Labrador West mining activity by the Iron Ore Company of Canada and Wabush Mines contributes greatly to the provincial economy. DLAA works with the Department of Mines and Energy to monitor this activity. Ensuring this industry is retained remains a priority of Government.

Forestry:

On January 31, 2001, the Innu Nation and the provincial government, represented by the Minister of Forest Resources and Agrifoods (DFRA), signed a Forestry Process Agreement, which provided $520,000 to the Innu Nation to work with DFRA and interested stakeholders to accomplish the objectives of the Agreement. This work includes developing a five-year forestry management plan for Forest Management District 19.

Northern Agrifoods Development Strategy:

The Province's *Final Report on the Renewal Strategy for Jobs and Growth (March 2001)*, committed to engage appropriate stakeholders to develop a Northern Agrifoods Development Strategy for Labrador that addresses both the high cost of importing food products to this area

of the province and the potential to create new jobs in Labrador. To assist in this commitment, DLAA and DFRA, in conjunction with the Northern Agrifoods Steering Committee, developed a draft Northern Agrifoods Development Strategy, which is expected to be released to the public in March 2003.

Trans-Labrador Highway (TLH):

In May 2001, the Province approved a total of $1 million to prepare an environmental impact statement for Phase III of the Trans-Labrador Highway between Happy Valley-Goose Bay and Cartwright.

In March 2002, the Province announced details of its commitment to build Phase III of the Trans-Labrador Highway between Happy-Valley-Goose Bay and Cartwright. The Province intends to invest about $100 million, or $17 million a year, to build Phase III over a six-year period. The Province has made a commitment to consult with the Innu Nation before any planning or work is done on Phase III and will also seek input from other stakeholders, including the Labrador Métis Nation. The project will be subject to an environmental assessment.

Phase I (from Labrador West to Happy Valley-Goose Bay) of the Trans-Labrador Highway has been completed and Phase II (from Red Bay to Cartwright) is scheduled to be completed by the fall of 2002.

Labrador Transportation Initiative Agreement:

The Province approved $3 million from the Labrador Transportation Initiative Fund to carry out a number of road improvements in several South Coast communities over a two-year period. The funding will be allocated to St. Lewis, Charlottetown, Mary's Harbour, Port Hope Simpson, Cartwright and the road to Pinsent's Arm.

Southeastern Labrador Transportation Committee:

On April 3, 2001, the Southeastern Labrador Transportation Committee presented its report to the Province dealing with the transportation issues affecting Southeastern Labrador. The report contained a total of 25 recommendations regarding the future transportation needs in the region. The Committee held 11 public consultation sessions, with more than 25 individuals and organizations making formal, informal and general submissions.

With the completion of Phase II of the Trans-Labrador Highway, the Committee's report will help to redesign an integrated transportation system in southeastern Labrador so that, where possible, marine, air and highway routes will complement each other.

North Coast Transportation Committee:

In May 2001, the North Coast Transportation Committee, comprising representatives from the North Coast communities, was established to consult the people of the North Coast to formalize their marine services needs for the

future. In October 2001, the Committee completed its report and presented the Government with recommendations on the future transportation needs of the region. The Committee held five public consultation sessions on the North Coast to receive feedback on transportation issues. The Province has committed to maintain the same level of ferry service to the North Coast communities until such recommendations can be considered. The Department acted as a liaison in coordinating and hosting the Committee meetings.

North West River Highway:

The Province will spend $1 million over the next two years to upgrade and resurface sections of the North West River road under the Provincial Capital Roads Program.

Tourism:

With major investments in infrastructure, like construction of the Trans-Labrador Highway and development of a winter snowmobile trail system, Labrador's tourism industry is poised for significant growth. Phase I of the plan to develop a snowmobile trail system in Labrador is being completed at a cost of $3.5 million. An additional $2 million was announced for Phase II. Upon completion of Phase II, an integrated trail system will connect all regions within Labrador and allow access to the Quebec system. This network of snowmobile trails, which falls under the direction of the Labrador Winter Trails Inc., is the basis for the development of a new snowmobile tourism industry.

Access North - Labrador 2002:

The Department, along with the Department of Tourism, Culture and Recreation, was a major advocate for *Access North-Labrador 2002*, the fifth in a series of major celebrations held by the Province since 1997. This celebration will highlight Labrador's tourism product, by focusing on the region's culture, history and people. It also recognizes the important contribution of the Moravian Church to the people of Labrador's North Coast over the past 250 years. Some of Access North's objectives are:

- to develop a program to enhance the economic development of Labrador through the tourism sector;
- to communicate to the province, the country, and the world the cultural legacy of the Labrador region; and
- to celebrate the achievements of the Labrador Winter Trails Inc. and position the entire Labrador region as a prime destination for snowmobile-based tourism.

The Department was instrumental in providing financial support and resources to ensure the successful post-launch of the program.

Provincial Court:

On March 21, 2002, funding was announced to renovate the Provincial Court in Happy Valley-Goose Bay to include a second courtroom and accommodations for Prosecutions, Victim Services and Probation Services. Proposals

will be called for a new building to house the Supreme Court in Happy Valley-Goose Bay.

Strategic Social Plan:

DLAA works closely with the Strategic Social Plan Labrador Regional Steering Committee in Labrador. The Department provides administrative support and accommodations for the regional planner in Happy Valley-Goose Bay. In January 2002, the Social Policy Committee of Cabinet met with the Labrador Regional Steering Committee to discuss social development in Labrador.

Addressing Recruitment Concerns:

In March 2001, the Province announced that it would provide $800,000 to fund a recruitment and retention bonus to attract teachers to coastal Labrador communities.

Aboriginal Cadet Development Program:

In an effort to increase the number of Aboriginal people in the RCMP, the Government of Newfoundland and Labrador agreed to participate in the national Aboriginal Cadet Development Program (ACDP). Cost-shared by Human Resources Development Canada, the RCMP and the Province, the ACDP permits Aboriginal people who do not initially meet RCMP basic entrance requirements, but are otherwise suitable applicants, a maximum of two years to upgrade their skills. Twelve students in Labrador were able to participate. The Province provides 25 percent of the total program costs over two years, to a maximum of $150,000 a year.

Labrador Travel Subsidy:

The Labrador Travel Subsidy was increased by $180,000 in the middle of the 2000-01 fiscal year. The Province has maintained the Subsidy at its new level of $427,000 to permit students living in Labrador to increase their participation in athletic tournaments throughout the Province.

Violence Prevention Initiative:

The Violence Prevention Initiative reflects the Government's commitment to addressing the problem of violence in this province. The Government recognizes that the province's Aboriginal people and the Labrador region have special concerns related to violence prevention. The Department was pleased to join the multi-departmental government-community partnership in the Fall of 2001.

2002 Budget Lock-In

In March 2002, the Department hosted a Budget lock-in in Happy Valley-Goose Bay. This was the first time that such a function took place outside of St. John's. The Department's Happy Valley-Goose Bay office organized the event and invited stakeholders from all regions of Labrador to be briefed on the 2002 Provincial Budget prior to it being read in the House of Assembly.

Northern Development Ministers' Forum:

Since 2000, Ministers from Canada's Northern areas have been meeting in hopes to raise the profile of Northern regions. In September 2001, the northern development ministerial

body was named the *Northern Development Ministers' Forum* (NDMF). The Minister of Labrador and Aboriginal Affairs represents the Province at this forum, with additional representation from the Yukon, North West Territories, Nunavut, British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Canada.

One priority of the NDMF is recruitment and retention of professionals. Newfoundland and Labrador is leading a team, along with representation from Manitoba, Nunavut, and Indian and Northern Affairs Canada in the development of a national document (*Recruitment and Retention Best Practices Inventory*), which will be formally presented in September 2002.

Federal-Provincial/Territorial (FPT) Ministers Responsible for Aboriginal Affairs and the Leaders of National Aboriginal Organizations:

The Minister of Labrador and Aboriginal Affairs and Departmental officials participated in meetings of the *FPT Ministers Responsible for Aboriginal Affairs and the Leaders of National Aboriginal Organizations* held in May 2001 (Winnipeg) and December 2001 (Ottawa). This forum was established to discuss issues that confront Aboriginal peoples throughout Canada.

Key Achievements and Priorities

Strategic Issues:

The Department of Labrador and Aboriginal Affairs strives to enhance the effectiveness of programs and services for the Labrador region and to ensure that the needs of Aboriginal groups in the province are met as fully as possible. The strategic issues facing the Department are focused as follows:

Labrador Affairs:

- to maximize the benefits from economic initiatives and resource developments in Labrador for the region;
- to ensure that Labrador communities receive programs and services on the same basis as other communities in the province that are similar in size and circumstance; and,
- to ensure that appropriate amounts of federal funding allocated to the Province are utilized in Labrador.

Aboriginal Affairs:

- to ensure that negotiated land claims and self-government agreements with the Labrador Innu and Inuit are beneficial and acceptable to all residents;
- to facilitate improved relationships between the provincial government and Aboriginal groups;
- to ensure that the federal government is responsive to the needs of Aboriginal groups; and,
- to ensure that provincial government policy is appropriate for and relevant to the needs of Aboriginal groups throughout the province.

Priorities and Strategies:

As a central agency, the Department coordinates and facilitates all Government activities relating to Labrador Affairs and Aboriginal issues. The priorities for the Department are to enhance the effectiveness of programs and services within the Labrador region, to ensure that the Labrador region benefits from social and economic initiatives, to ensure that resource development occurs in a manner that maximizes benefits and is respectful of Aboriginal land claims and to ensure that the needs of Aboriginal groups in the province are met as fully as possible.

It is important to recognize that the Province does not offer Aboriginal specific programming.

The principal tasks of the Department in the field of Aboriginal Affairs are:

- developing policy for Aboriginal issues;
- negotiating land claims and self-government agreements;
- implementing and managing land claims agreements once achieved; and,
- carrying out consultations and providing public information and education in matters related to land claims.

The principal tasks of the Department in the field of Labrador Affairs are:

- developing policies and programs related to significant issues of government interest in Labrador;

- managing federal-provincial agreements related to the development of Labrador; and
- managing federal-provincial agreements for the Inuit communities of Labrador.

As a result of these fundamental activities, the Department's objectives cannot always be measured in numbers, but rather involve the successful negotiation and implementation of agreements and settlements and trustworthy relationships with Aboriginal groups in the province.

The Department's key priorities to achieve its goals are:

- to work with all provincial government departments and the federal government to ensure policy, programs and decisions are appropriate for Labrador and the province's Aboriginal people;
- to ensure that the people of Labrador share in the benefits from the development of resources of their region;
- to remove the uncertainty surrounding lands and resources in Labrador through the settlement of land claims with the Innu and Inuit of Labrador; and,
- to work with the federal government to ensure that Canada meets its constitutional and fiduciary responsibility for Aboriginal peoples in Newfoundland and Labrador.

Progress and Accomplishments:

STRATEGIC ISSUE	PRIORITIES	PROGRESS/ACCOMPLISHMENTS
1. To maximize the benefits from economic initiatives and resource developments in Labrador for the region.	To ensure that the people of Labrador share in the benefits from the development of resources of their region.	**Lower Churchill Hydro Development** The Department has actively consulted with provincial negotiators pursuing the potential Lower Churchill Hydro Development on issues related to Aboriginal claimant groups and Labrador's interests in the project. **Voisey's Bay Project** The Department continues to play an active role in the negotiations towards a Voisey's Bay Project to reach agreements with the Labrador Inuit Association and Innu Nation on a Voisey's Bay Chapter and Interim Measures Agreement . **Trans-Labrador Highway** In May 2001, the Province approved a total of $1 million to prepare an environmental impact statement for Phase III of the Trans-Labrador Highway between Happy Valley-Goose bay and Cartwright. In March 2002, the Province announced details of its commitment to build Phase III of the Trans-Labrador Highway between Happy-Valley-Goose Bay and Cartwright. The Province intends to invest approximately $100 million, or $17 million a year, to build Phase III over a six year period.

STRATEGIC ISSUE	PRIORITIES	PROGRESS/ACCOMPLISHMENTS
2. To ensure that Labrador communities receive programs and services on the same basis as other communities in the province that are similar in size and circumstance.	To work with all provincial government departments and the federal government to ensure policy, programs and decisions that are appropriate for Labrador and the province's Aboriginal people.	**Addressing Recruitment Concerns** In March 2001, the Province announced that it would provide $800,000 to fund a recruitment and retention bonus to attract teachers to coastal Labrador communities. **Labrador Travel Subsidy** The Province has maintained the Labrador Travel Subsidy at its new level of $427,000 to permit students living in Labrador to increase their participation in athletic tournaments throughout the province.
3. To ensure that appropriate amounts of federal funding allocated to the Province are utilized in Labrador.	To coordinate and negotiate various funding and programs and services agreements with the federal government and/or the Aboriginal groups.	**Inuit Communities Agreement** The *Contribution Agreement between the Government of Canada and the Government of Newfoundland and Labrador for the Benefit of the Inuit Communities of Labrador* has been amended to cover the next two fiscal years from April 1, 2002 to March 31, 2004 which includes an additional $8.7 million in federal infrastructure funds. **Labrador Transportation Initiative** With funding from the Labrador Transportation Initiative, Phase I (from Labrador West to Happy Valley-Goose Bay) of the Trans-Labrador Highway has been completed and Phase II (from Red Bay to Cartwright) is scheduled to be completed by the fall of 2002.

STRATEGIC ISSUE	PRIORITIES	PROGRESS/ACCOMPLISHMENTS
4. To ensure that negotiated land claims and self-government agreements with the Labrador Innu and Inuit are beneficial and acceptable to all residents.	To negotiate land claims treaties and self-government agreements with the relevant parties. To remove the uncertainty surrounding lands and resources in Labrador through the settlement of land claims with the Innu and Inuit of Labrador.	**Land Claims Negotiations** An Agreement-in-Principle (AIP) on land claims and self-government with the Labrador Inuit Association and Canada was signed on June 25, 2001. An Interim Measures Agreement protecting lands selected by the Inuit was signed in November 2001. Negotiations are ongoing with the Innu Nation and Canada towards an Accord on Major Issues, which will set the stage for negotiation of an AIP.
5. To facilitate improved relationships between the provincial government and Aboriginal groups.	To work with all provincial government departments and the federal government to ensure policy, programs and decisions that are appropriate for Labrador and the province's Aboriginal people. To give Labrador and the province's Aboriginal people a stronger voice in government.	**Creation of the New Department of LAA** The Province created the Department of Labrador and Aboriginal Affairs in February 2001, to give Labrador and the province's Aboriginal people a stronger voice in government. The Department has established its headquarters in Happy Valley-Goose Bay. **Forestry** On January 31, 2001, the Innu Nation and the provincial government, represented by the Minister of Forest Resources and Agrifoods (DFRA), signed a Forestry Process Agreement (FPA), which provided $520,000 to the Innu Nation to work with DFRA and interested stakeholders to accomplish objectives of the FPA.

STRATEGIC ISSUE	PRIORITIES	PROGRESS/ACCOMPLISHMENTS
6. To ensure that the federal government is responsive to the needs of Aboriginal groups.	To work with the federal government to ensure that Canada meets its constitutional and fiduciary responsibility for the Aboriginal groups of Newfoundland and Labrador.	**Innu Registration and Reserve Creation** The Department continues to work with the federal government and Innu Nation towards registration of the Innu under the *Indian Act* and the creation of Reserves at Sheshatshiu and Natuashish. **Conne River Mi'kmaq** The Department has indicated it is prepared to participate in self-government discussions between the Miawpukek Band and the federal government in matters impacting on provincial jurisdiction. **Labrador Métis Nation (LMN)** The Province supports the LMN in gaining access to those federal programs and services for which they are eligible. The Province has also called on the federal government to make a decision on the LMN land claim. **Federation of Newfoundland Indians (FNI)** The Department has urged the Government of Canada to begin exploratory discussions to determine if there is a basis for negotiating FNI access to certain federal Aboriginal programs and services.
7. To ensure that provincial government policy is appropriate for and relevant to the needs of Aboriginal groups throughout the province.	To work with all provincial government departments and the federal government to ensure policy, programs and decisions that are appropriate for Labrador and the province's Aboriginal people.	**Aboriginal Cadet Development Program** The Province of Newfoundland and Labrador approved up to $150,000 per year for two years to enable 12 students to participate in the national Aboriginal Cadet Development Program (ACDP). **Northern Coastal Labrador Strategic Initiative** The Department has played a lead role in the three year funding commitment of $23 million for the Northern Coastal Labrador Strategic Initiative.

Opportunities and Challenges Ahead:

The Department of Labrador and Aboriginal Affairs faces a number of opportunities and challenges, particularly when it comes to Aboriginal land claims and self-government, and its role in projects such as Voisey's Bay and the Lower Churchill.

Government is committed to ensuring that the people of Labrador share in the development of the region's resources. That is one of the main reasons why the Province created the new Department. With social and economic activity reaching new levels in Labrador, the Province felt it was not only necessary, but appropriate, to establish this Department.

The successful conclusion of land claims will contribute to the economic and social well-being of Aboriginal peoples, other Labradorians and Newfoundlanders. Beyond land claims, there will be a need to work cooperatively for the future of the Labrador region.

The potential development of Voisey's Bay , a rich resource in the midst of a region that has such high levels of unemployment and social problems, can help address these problems by providing the jobs, spin-offs and resources to improve the standard of living for North Coast residents.

The potential development of the Lower Churchill power project represents a major untapped resource in Labrador, offering the opportunity to develop a significant block of competitive energy without causing major harm to Labrador's environment.

Opportunities and challenges ahead includes:

- co-ordinating and providing leadership for government programming in Labrador;
- assessing and advancing development opportunities, funding agreements and social issues;
- implementing land claims and self-government agreements;
- facilitating the relocation of the Mushuau Innu from Davis Inlet to Natuashish;
- facilitating registration of the Innu under the federal *Indian Act* and the creation of Reserves at Sheshatshiu and Natuashish;
- urging the federal government to make a decision on the outstanding land claim of the LMN;
- lobbying the federal government to support the LMN and the FNI in gaining access to federal programs and services for which they meet the eligibility requirements; and,
- working with the Department of Works, Services and Transportation and stakeholders to reconfigure the Southeast Coastal ferry service to meet the transportation needs of the residents of Southern Labrador.

Much has been accomplished in Labrador in 2001-02, but the Province recognizes that more work needs to be done. The Department is well positioned to deal with the many opportunities and challenges facing the province in respect of its Aboriginal peoples and in particular the Labrador region.

Financial Statements

DEPARTMENT OF LABRADOR AND ABORIGINAL AFFAIRS
STATEMENT OF EXPENDITURE AND RELATED REVENUE - SUMMARY
FOR THE YEAR ENDED MARCH 31, 2002

			ESTIMATES	
		ACTUAL	AMENDED	ORIGINAL
		$	$	$
1.1.01	Minister's Office	404,326	412,000	362,200
1.2.01	Executive Support	519,917	563,800	515,300
2.1.01	Aboriginal Affairs	1,140,433	1597,800	1,673,300
2.1.02	Labrador Affairs	387,576	540,600	569,900
2.1.03	Inuit Agreement	4,167,138	4,206,100	4,112,100
	Less Revenue	(4,130,830)	(3,912,100)	(3,912,100)
Total Labrador and Aboriginal Affairs		1,564,317	2,432,400	2,443,200
Total Department		2,488,560	3,408,200	3,320,700

Please refer to Volume III of the Public Accounts which were previously tabled in the House of Assembly, for detailed financial information.